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Trucking firms cope with costs

Joe Florkowski, Staff Writer
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FONTANA - You may pout when you pump \$50 worth of gas into your car every morning but try looking at it from the perspective of Terry Klenske.

The owner of Dalton Trucking in Fontana brings in a tanker full of 7,500 gallons of diesel each day to fill a fleet of 200 trucks. And with each gallon of diesel costing more than \$3, that adds up to more than \$22,000 each day.

Unlike most motorists, Klenske can pass his fuel costs to customers. By adding that fuel surcharge, Klenske can recover his costs.

But two years ago when fuel prices started to rise, Klenske could negotiate those fuel surcharges with customers. Not anymore.

"Where it was a subject of negotiation, now it's an automatic thing," Klenske said.

Klenske's Dalton Trucking is one of several Inland Empire firms struggling with high fuel costs right now. Most can pass costs to their customers according to a rate set by the U.S. Department of Energy.

But the higher cost of fuel is difficult for smaller trucking firms or independent owners and operators who cannot pass along those costs.

For firms like Galaxy Trucking in Ontario, higher fuel costs have led to customers ordering less product, said owner Roy Nickell.

Before, customers used to order a lot more than they needed, Nickell said. Now, they simply order what they need, which reduces the fuel costs but also the costs of what was shipped, he said.

Jack Jones Trucking in Ontario spent \$229,000 in fuel surcharges in 2005, said Valerie Liese, president.

In 2006, that fuel surcharge is expected to be more than \$300,000, she said.

"You can imagine what it's going to be this year," Liese said.

The company is also making some changes where it can, she said.

Some drivers will be rerouted when needed. For example, if one driver is scheduled to pick up a load but can't, another available driver will pick it up, Liese said.

"We have to plan a little bit better," Liese said.

But Liese does feel bad for the smaller owner operators and wonders how they will continue to operate.

"You will see a lot of owner-operators shut down," she said.

Klenske at Dalton Trucking uses about a dozen owner-operators. Those operators can take advantage of the fuel surcharges that Klenske charges his customers.

And that's good news - not just for the operators but for Klenske.

"We rely on them," he said.